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SUBJECT: HU JINTAO'S UPBEAT VISIT TO RUSSIA: EXTENDING  
LEADERS' POLITICAL CONSENSUS TO GRASS-ROOTS LEVEL?

REF: A. BEIJING 1679

[1](#)B. MOSCOW 1291

Classified By: Mark Tesone, Acting Political External Unit Chief.  
Reasons 1.4 (b/d).

Summary

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[1](#)1. (C) Chinese scholars say President Hu Jintao's March 26-28 visit to Russia solidified the China-Russia political strategic partnership and helped expand that partnership to economic and cultural fields. Given the Hu-Putin consensus on most bilateral and international political issues, including the DPRK, Iran and the SCO, the trip focused on improving economic and trade ties, resulting in US\$4.3 billion in contracts and a huge trade fair. Presidents Hu and Putin agreed to expand energy shipments to China and, for now, Beijing is content to accept ambiguity over an oil pipeline and gas prices, scholars said. Party media celebrated the trip for opening the China Year in Russia and because it will be the last state visit between the two leaders. But judging from the low enthusiasm about the visit in commercial media and some skeptical web postings, much remains to be done to convince the Chinese public there is a solid basis for expanding future ties. END SUMMARY.

Extending Elite Consensus To Grass-Roots?

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[1](#)2. (C) President Hu Jintao's March 26-28 visit to Russia aimed to establish a basis in economic, cultural and people-to-people exchange that will allow the China-Russia strategic partnership to expand in future years, according to scholars Wang Lijiu and Jiang Li of the Russian Institute at China's Ministry of State Security-affiliated China Institute of Contemporary International Relations (CICIR). Almost "no political difficulties exist between the two countries," Wang said, noting that Presidents Hu and Putin share a common outlook on most bilateral issues. As a result, President Hu emphasized that the relationship should reach a new level of "regular mutual trust" and "mutual economic benefit." Cultural events under the banner of the China Year in Russia will try to extend that leadership consensus down to the grass-roots, where xenophobic attitudes persist in both countries, Wang told poloffs. The Duma's recent law banning independent Chinese traders from the Russian Far East is an example of that xenophobia, he said.

No View Toward Putin's Successor

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[1](#)3. (C) Hu met with Putin, Premier Fradkov and Duma Chair Gryzlov before traveling to Tatarstan, according to Russian

Embassy political officer Denis Agafonov. With the opening of the Year of China in Russia and a vast trade fair, Agafanov said the atmosphere was one of celebration because this will be the last state visit between the two leaders, who nonetheless will meet several times in multilateral fora before Russian elections in 2008. Some scholars had predicted the visit would aim to let Hu meet likely post-Putin leaders of Russia, but CICIR's Wang said this was unlikely, noting that Russia's succession process is not far enough along for Hu to predict who the next Russian leaders might be.

#### Economic, Trade and Technology Benefits

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14. (C) The US\$4.3 billion in contracts signed during the visit provides the most concrete result from the trip, CICIR's Jiang said, noting that a huge trade fair brought together many large Chinese and Russian companies for the first time. China looks forward to acquiring some further technology as part of the agreement to launch a space probe to Mars, Wang said, adding that the countries also agreed to cooperate on a "super jetliner," although additional work remained before that project could be announced.

#### International Topics: DPRK, Iran, SCO

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15. (C) China and Russia see "eye to eye" on most international issues, the Russian Embassy's Agafanov noted, such as the desire for a "more multi-polar world with greater balance." Resolution of the border dispute means they face no negative bilateral political issues, he added. Wang said the leaders agreed to continue to use their "special axis"

BEIJING 00002130 002 OF 002

within the UN to cooperate on the DPRK and Iranian nuclear issues. The leaders also discussed the Shanghai Cooperation Organization (SCO), the possibility of SCO expansion and the planned SCO military exercises to be held this summer in Russia, Agafanov said.

16. (C) Jiang noted that the 2007 SCO military exercise will help to improve mutual trust between the Chinese and Russian militaries and enhance their ability to deal with non-traditional security threats. The scholars acknowledged that China and Russia have both proposed expanding their contributions to the SCO exercises recently, a process Jiang called a "my missiles are bigger than yours" cycle of one-upsmanship. Wang doubted that Presidents Hu and Putin discussed the military exercise in any level of detail. The exact scale of the exercise has yet to be decided, he said, but noted that past media reports suggesting Armenia or Belarus would participate in the exercises were erroneous.

#### Energy: It's Not Just About Pipelines

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17. (C) Media reports suggesting tension during the visit over an oil pipeline from Russia to China are exaggerated, the Russian Embassy's Agafanov said, noting that Putin previously agreed that a Russian pipeline to Siberia will export oil to Northeast China at Daqing. CICIR's Wang said the pipeline to Daqing would be built, but differences remain over the volume of oil to be pumped to China's branch of the pipeline versus a second branch from Siberia to the Pacific coast. Establishment of a Russian natural gas pipeline to China (from either Siberia or Sakhalin) has also been delayed by questions of policy and price, Wang said. China believes Russia is torn between building the necessary infrastructure to export oil and gas to Asia and increasing its control over energy transport in the eastern part of the Former Soviet Union, he said. Jiang added that squabbling within the Russian government and between Russian companies will make energy shipments via pipeline from Russia unreliable in the near-term future. As a result, China will focus for now on

increasing oil shipments by rail, as authorized by an agreement signed during Hu's visit, she said.

¶8. (C) Agafonov noted that bilateral energy cooperation includes significant electricity exported from Russia and cooperation on atomic energy, including a large Russian-supported venture in Gansu Province. The two countries also engage in joint exploration for energy resources and cooperate in coal mining, he added.

#### Media Reports Celebratory, But Netizens Cautious

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¶9. (C) The tone of media coverage of President Hu's trip to Russia has been overwhelmingly positive. Party organs such as the People's Daily have kept the trip on the front page throughout the week, complete with banner headlines and large color photos lauding the Year of China in Russia. Articles have stressed productive bilateral cooperation, particularly in the areas of economics, security and technology. High-circulation commercial dailies such as the progressive Beijing News have covered the story with less fanfare, generally relegating articles to inside pages, although the announcement of cooperation on a Mars probe earned pride of place on the paper's cover.

¶10. (C) The Propaganda Department has not handed down any specific coverage guidelines about the trip, said Wang Feng (protect), an editor at the influential bi-weekly Caijing Magazine. Caijing has no plans to run coverage of the visit, Wang said, adding that in media circles, the summit has not struck chords because "it has generated nothing much new." At the same time, he asserted that many average Chinese currently view their northern neighbor with skepticism because of recent incidents widely covered in Chinese media in which Chinese citizens have been murdered or harassed in Russia. In fact, while Internet chat room activity about Hu's trip has been relatively quiet, skepticism about the feelings of Russians toward China has been a common theme in online forums. As one participant in the generally nationalistic "Mighty Nation" chat room asked rhetorically, "Is it safe to travel to Russia during the Year of China in Russia?"

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